



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
Washington, D.C. 20230

OFFICE OF THE GENERAL COUNSEL

April 21, 2008

VIA FAX AND U.S. MAIL

Joseph T. Kelliher, Chairman
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Dear Mr. Kelliher:

I am writing to request your agency's comments in connection with an administrative appeal pending before the Secretary of Commerce pursuant to the Coastal Zone Management Act (CZMA).¹ The appeal at issue is brought by Weaver's Cove Energy, LLC (Weaver's Cove) and Mill River Pipeline, LLC (Mill River). Weaver's Cove and Mill River appeal from the Commonwealth of Massachusetts' objections to Weaver's Cove's proposed liquefied natural gas (LNG) terminal in Fall River, Massachusetts and Mill River's two associated pipeline laterals that would transport gas from the terminal to an interstate pipeline grid serving the New England region (Project).

In particular, I seek your views on the attached letter, dated March 28, 2008, which counsel for the Massachusetts Coastal Zone Management Program provided on April 11, 2008. In connection with the delivery of LNG to the proposed terminal, the letter states Weaver's Cove "has identified an alternative proposal for unloading LNG ships" involving "the construction of an offshore berth and LNG pipeline to transfer the LNG to the terminal site previously approved by FERC." Weaver's Cove then states "[i]n the near future, Weaver's Cove will initiate FERC review of this alternative berthing and unloading option by requesting to participate in FERC's pre-filing review process." I ask that you provide any comments your agency has on the impact, if any, of Weaver's Cove's proposal on (a) FERC's July 15, 2005 "Order Granting Authority under Section 3 of the Natural Gas Act and Issuing Certificate"; and (b) FERC's May 2005 Environmental Impact Statement and other findings concerning the Project. I would also ask for your comment on what, if any, procedural action FERC plans to take now that it has received this document from Weaver's Cove.

In order for these appeals to be decided in a timely fashion, I respectfully request that your views be submitted no later than **April 28, 2008**. Please forward any comments to: Brett Grosko, Attorney-Advisor, c/o Office of the General Counsel for Ocean Services, National Oceanic and Atmospheric Administration, U.S. Department of

¹ See section 307(c)(3)(A) of the Coastal Zone Management Act of 1972 (CZMA), as amended, 16 U.S.C. §§ 1451 *et seq.* The Department of Commerce's implementing regulations for CZMA appeals are found at 15 C.F.R. Part 930, Subpart H.



Commerce, 1305 East-West Highway, SSMC IV, Suite 6111, Silver Spring, Maryland 20910. Comments may also be submitted by fax to (301) 713-4408.

Should your staff have questions concerning this letter, please contact Mr. Grosko at (301) 713-7384 or by e-mail at brett.grosko@noaa.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Joel La Bissonniere", with a long horizontal flourish extending to the right.

Joel La Bissonniere
Assistant General Counsel
for Ocean Services

Enclosure



March 28, 2008

Dear Commissioner Burt,

As you are aware, on July 15, 2005, the Federal Energy Regulatory Commission ("FERC") authorized Weaver's Cove Energy, LLC ("Weaver's Cove") to site, construct and operate a liquefied natural gas ("LNG") receiving terminal in Fall River, Massachusetts, subject to certain conditions. Weaver's Cove is continuing to pursue the permits necessary to construct and operate the LNG terminal as approved by FERC. Weaver's Cove also has identified an alternative proposal for unloading LNG ships. This alternative proposal involves the construction of an offshore berth and LNG pipeline to transfer the LNG to the terminal site previously approved by FERC. A brief description of Weaver's Cove's plans for the new berth and LNG unloading system is attached to this letter.

In the near future, Weaver's Cove will initiate FERC review of this alternate berthing and unloading option by requesting to participate in FERC's pre-filing review process. The purpose of the pre-filing process is to encourage involvement by interested stakeholders in the environmental review process in a manner that allows for early identification and resolution of environmental issues, before Weaver's Cove submits a formal application under Section 3 of the Natural Gas Act. FERC has designed the pre-filing process to support open communication between the project developer and interested stakeholders early in the project development process and several months before a formal application is filed.

Weaver's Cove is committed to meeting with interested persons to discuss this proposed offshore berth alternative. As in the past, we would like to personally brief you on the new proposal, should you desire. If that is the case, please contact us so we can arrange a mutually agreeable time and location. If you have any questions regarding the project that may be answered by phone or do desire a personal meeting, please call Marcia MacClary at 508-675-9470.

It is Weaver's Cove's intent to continue to keep you fully apprised of all current activity with its project as we have in the past. As a key stakeholder in this process, we believe you should be as informed and up to date with the facts as possible and intend to make every effort to ensure you have timely and accurate information. We look forward to hearing from you and working with you on this project.

Best regards,

A handwritten signature in dark ink, appearing to read "G. Shearer", with a long, sweeping horizontal line extending to the right.

Gordon Shearer
Chief Executive Officer

PROJECT DESCRIPTION

Weaver's Cove Energy proposes to construct an offshore berth in Mount Hope Bay. This berth will be capable of receiving LNG ships, supporting the LNG unloading operations, then moving the LNG in liquid form through a buried, insulated, underwater pipeline to the storage tank at the FERC approved Weaver's Cove onshore facility. Consistent with our previous project plans, the LNG will be stored and subsequently vaporized for transport through pipelines to homes and businesses throughout the region; or, it will be transported via truck from the terminal as a liquid to "peakshaving" storage tanks, such as exists on Bay Street in Fall River.

The facilities at the proposed offshore berth will include LNG unloading lines, a vapor handling system, as well as electrical power and control systems. The berth will be located approximately 4 miles south of the Weaver's Cove Energy LNG facility in Fall River, MA. This berth will be connected to the terminal via one or two LNG pipelines. The pipelines will be routed from the offshore berth to the terminal in a northeasterly direction generally along the western side of the Taunton River. The LNG pipelines will be buried at least five feet under the Taunton River and Mount Hope Bay. (See map below.)

